

WEIL, GOTSHAL & MANGES LLP
Stephen Karotkin (*pro hac vice*)
(stephen.karotkin@weil.com)
Theodore E. Tsekerides (*pro hac vice*)
(theodore.tsekerides@weil.com)
Richard W. Slack (*pro hac vice*)
(richard.slack@weil.com)
Jessica Liou (*pro hac vice*)
(jessica.liou@weil.com)
Matthew Goren (*pro hac vice*)
(matthew.goren@weil.com)
767 Fifth Avenue
New York, NY 10153-0119
Tel: 212 310 8000
Fax: 212 310 8007

KELLER BENVENUTTI KIM LLP
Tobias S. Keller (#151445)
(tkeller@kblkllp.com)
Jane Kim (#298192)
(jkim@kblkllp.com)
650 California Street, Suite 1900
San Francisco, CA 94108
Tel: (415) 496-6723
Fax: (415) 636-9251

Attorneys for Debtors and Debtors in Possession

**UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION**

In re:

PG&E CORPORATION,

- and -

**PACIFIC GAS AND ELECTRIC
COMPANY,**

Debtors.

- ☐ Affects PG&E Corporation
☐ Affects Pacific Gas and Electric
Company
☒ Affects both Debtors

** All papers shall be filed in the Lead
Case, No. 19-30088 (DM).*

Case No. 19-30088 (DM)

Chapter 11

(Lead Case) (Jointly Administered)

**DEBTORS' OBJECTION TO WILLIAM B.
ABRAMS' MOTION FOR RECONSIDERATION
AND RELIEF FROM THE ORDERS PURSUANT
TO U.S.C. §§ 363(b) AND 105(a) AND
BANKRUPTCY RULE 9024 APPROVING THE
PARTIES' JOINT STIPULATION REGARDING
THE REGISTRATION RIGHTS AGREEMENT
AND RELATED AGREEMENTS OF THE FIRE
VICTIM TRUST [DKT. NO. 7918]**

**Related Docket Nos. 7918, 7974, 7999, 8000, 8006,
8008, 8023, 8046**

1 The Debtors hereby submit this Objection (the “**Objection**”) to the *William B. Abrams*
2 *Motion for Reconsideration and Relief from the Orders Pursuant to U.S.C. §§ 363(b) and 105(a)*
3 *and Bankruptcy Rule 9024 Approving the Parties’ Joint Stipulation Regarding the Registration*
4 *Rights Agreement and Related Agreements of the Fire Victim Trust [Dkt. No. 7918] [Docket No.*
5 *7974] (the “**Motion**” and Mr. Abrams, “**Abrams**”) and the joinders thereto [Docket Nos. 8023 and*
6 *8046].¹*

7
8 **OBJECTION**

9 By his Motion, Abrams seeks to undo the RRA Stipulation that was the result of a mediated
10 settlement before Ret. Judge Newsome and was the product of extensive and good-faith negotiations
11 among (i) the Debtors, (ii) the TCC, the fiduciary for all wildfire victims in these Chapter 11 Cases,
12 and (iii) Justice John K. Trotter (Ret.), who has been approved by this Court to serve as the Fire
13 Victim Trustee. The RRA Stipulation was a significant achievement in connection with meeting
14 the June 30, 2020 deadline imposed under AB 1054. It also is an important element to the market
15 raise of the equity financing on the most economically advantageous terms that is part of the exit
16 financing for the Debtors’ emergence from chapter 11.

17 The RRA Stipulation sets forth the agreement among the parties thereto as to both the form
18 of the registration rights agreement to be entered into by the Fire Victim Trust (the “**RRA**”) and the
19 related equity underwriter lock-up agreements (the “**Underwriter Lock-Ups**”). Absent an
20 agreement regarding the terms of both the RRA and Underwriter Lock-Ups, the Debtors would have
21 been unable to commence the marketing of their public equity offerings to raise the funds needed
22 to make distributions under the Plan, including the \$5.4 billion in cash to be distributed to the Fire
23 Victim Trust. Given the impending deadline for confirmation of the Plan, notice of the RRA
24 Stipulation was reasonable and appropriate under the circumstances.

25
26 ¹ Capitalized terms used but not herein defined shall have the meanings ascribed to such terms in
27 the *Parties’ Joint Stipulation Regarding the Registration Rights Agreement and Related*
28 *Agreements of the Fire Victim Trust [Docket No. 7913] (the “**RRA Stipulation**”) or the Debtors’*
and Shareholder Proponents’ Joint Chapter 11 Plan of Reorganization dated June 19, 2020
*[Docket No. 8048] (the “**Plan**”), as applicable.*

1 Abrams has presented no evidence of impropriety or conflict of interest, or any evidence
2 that would warrant reconsideration of the RRA Stipulation. In the complete absence of any such
3 evidence, the Court should not undo the good-faith settlement of the parties and potentially
4 jeopardize the Plan that was overwhelmingly accepted by all wildfire victims.

5
6 Dated: June 25, 2020

7 **WEIL, GOTSHAL & MANGES LLP**
8 **KELLER BENVENUTTI KIM LLP**

9 /s/ Stephen Karotkin

 Stephen Karotkin

10 *Attorneys for Debtors and Debtors in Possession*
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